

**ASSEMBLY, No. 4299**

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**STATE OF NEW JERSEY**

**219th LEGISLATURE**

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INTRODUCED JUNE 22, 2020

**Sponsored by:**

**Assemblyman PEDRO MEJIA**

**District 32 (Bergen and Hudson)**

**Assemblywoman ANGELA V. MCKNIGHT**

**District 31 (Hudson)**

**Assemblyman JOHN F. MCKEON**

**District 27 (Essex and Morris)**

**Co-Sponsored by:**

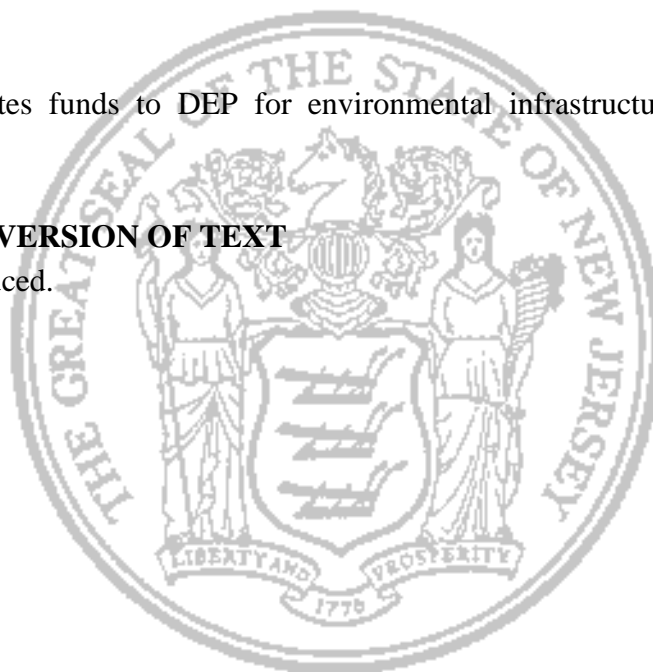
**Assemblymen Verrelli, Freiman, Danielsens, Bramnick, Auth, Bergen, Catalano, Clifton, Dancer, Assemblywoman B.DeCroce, Assemblymen DePhillips, DiMaio, Assemblywomen DiMaso, Dunn, Gove, Assemblymen S.Kean, McClellan, McGuckin, Assemblywoman N.Munoz, Assemblymen Peters, Peterson, Rooney, Scharfenberger, Assemblywoman Schepisi, Assemblymen Simonsen, Space, Assemblywoman Stanfield, Assemblymen Thomson, Webber and Wirths**

**SYNOPSIS**

Appropriates funds to DEP for environmental infrastructure projects for FY2021.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 6/29/2020)**

1    **AN ACT** appropriating moneys to the Department of Environmental  
2       Protection for the purpose of making zero interest loans or  
3       principal forgiveness loans to project sponsors to finance a  
4       portion of the costs of environmental infrastructure projects.

5  
6       **BE IT ENACTED** *by the Senate and General Assembly of the State*  
7       *of New Jersey:*

8  
9       1. a. (1) There is appropriated to the Department of  
10      Environmental Protection from the “Clean Water State Revolving  
11      Fund,” established pursuant to section 1 of P.L.2009, c.77, an  
12      amount equal to the federal fiscal year 2020 capitalization grant  
13      made available to the State for clean water project loans pursuant to  
14      the “Water Quality Act of 1987,” 33 U.S.C. s.1251 et seq., and any  
15      amendatory and supplementary acts thereto (hereinafter referred to  
16      as the “Federal Clean Water Act”).

17      (2) There is appropriated to the Department of Environmental  
18      Protection from the “Interim Environmental Financing Program  
19      Fund,” established by the New Jersey Infrastructure Bank pursuant  
20      to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9), such  
21      amounts as may be necessary to supplement the sums appropriated  
22      from the Clean Water State Revolving Fund for the purposes of  
23      clean water project loans and providing the State match as may be  
24      required for the award of the capitalization grants made available to  
25      the State for clean water projects pursuant to the Federal Clean  
26      Water Act.

27      (3) There is appropriated to the Department of Environmental  
28      Protection from the “Disaster Relief Emergency Financing Program  
29      Fund,” established by the New Jersey Infrastructure Bank pursuant  
30      to section 1 of P.L.2013, c.93 (C.58:11B-9.5), such amounts as may  
31      be necessary to supplement the sums appropriated from the Clean  
32      Water State Revolving Fund for the purposes of clean water project  
33      loans and providing the State match as may be required for the  
34      award of the capitalization grants made available to the State for  
35      clean water projects pursuant to the Federal Clean Water Act.

36      (4) There is appropriated to the Department of Environmental  
37      Protection from the “Drinking Water State Revolving Fund,”  
38      established pursuant to section 1 of P.L.1998, c.84, an amount equal  
39      to the federal fiscal year 2020 capitalization grant made available to  
40      the State for drinking water projects pursuant to the “Safe Drinking  
41      Water Act Amendments of 1996,” Pub.L.104-182, and any  
42      amendatory and supplementary acts thereto (hereinafter referred to  
43      as the “Federal Safe Drinking Water Act”).

44      The Department of Environmental Protection is authorized to  
45      transfer from the Clean Water State Revolving Fund to the Drinking  
46      Water State Revolving Fund, pursuant to the “Water Infrastructure  
47      Funding Transfer Act,” Pub.L.116-63, additional amounts as may

1 be necessary to address a threat to public health, and an amount  
2 equal to the maximum amount authorized to be transferred is  
3 appropriated to the department for those purposes.

4 The Department of Environmental Protection is authorized to  
5 transfer from the Clean Water State Revolving Fund to the Drinking  
6 Water State Revolving Fund an amount up to the maximum amount  
7 authorized to be transferred pursuant to the Federal Safe Drinking  
8 Water Act to meet present and future needs for the financing of  
9 eligible drinking water projects, and an amount equal to that  
10 maximum amount is appropriated to the department for those  
11 purposes.

12 The Department of Environmental Protection is authorized to  
13 transfer from the Drinking Water State Revolving Fund to the Clean  
14 Water State Revolving Fund an amount up to the maximum amount  
15 authorized to be transferred pursuant to the Federal Clean Water  
16 Act to meet present and future needs for the financing of eligible  
17 clean water projects, and an amount equal to that maximum amount  
18 is appropriated to the department for those purposes.

19 Notwithstanding any provision of this act to the contrary, the  
20 Department of Environmental Protection is authorized to utilize  
21 funds from the Clean Water State Revolving Fund for the purposes  
22 of the Drinking Water State Revolving Fund, and may charge  
23 interest on loans made with such invested funds to the extent  
24 permitted by the Federal Clean Water Act and the Federal Safe  
25 Drinking Water Act.

26 (5) There is appropriated to the Department of Environmental  
27 Protection the unappropriated balances from the Clean Water State  
28 Revolving Fund, including the balances from the Federal Disaster  
29 Relief Appropriations Act, and any repayments of loans and interest  
30 therefrom, as may be available on or before June 30, 2021, for the  
31 purposes of clean water project loans and providing the State match  
32 as may be required for the award of the capitalization grants made  
33 available to the State for clean water projects pursuant to the  
34 Federal Clean Water Act.

35 (6) There is appropriated to the Department of Environmental  
36 Protection the unappropriated balances from the "Wastewater  
37 Treatment Fund," established pursuant to section 15 of the  
38 "Wastewater Treatment Bond Act of 1985," P.L.1985, c.329, and  
39 any repayments of loans and interest therefrom, as may be available  
40 on or before June 30, 2021, for the purposes of clean water project  
41 loans and providing the State match as may be required for the  
42 award of the capitalization grants made available to the State for  
43 clean water projects pursuant to the Federal Clean Water Act.

44 (7) There is appropriated to the Department of Environmental  
45 Protection the unappropriated balances from the "1992 Wastewater  
46 Treatment Fund," established pursuant to section 27 of the "Green  
47 Acres, Clean Water, Farmland and Historic Preservation Bond Act

1 of 1992,” P.L.1992, c.88, and any repayments of loans and interest  
2 therefrom, as may be available on or before June 30, 2021, for the  
3 purposes of clean water project loans and providing the State match  
4 as may be required for the award of the capitalization grants made  
5 available to the State for clean water projects pursuant to the  
6 Federal Clean Water Act.

7 (8) There is appropriated to the Department of Environmental  
8 Protection the unappropriated balances from the “2003 Water  
9 Resources and Wastewater Treatment Fund,” established pursuant  
10 to subsection a. of section 19 of the “Dam, Lake, Stream, Flood  
11 Control, Water Resources, and Wastewater Treatment Project Bond  
12 Act of 2003,” P.L.2003, c.162, and any repayments of loans and  
13 interest therefrom, as may be available on or before June 30, 2021,  
14 for the purposes of clean water project loans and providing the State  
15 match as may be required for the award of the capitalization grants  
16 made available to the State for clean water projects pursuant to the  
17 Federal Clean Water Act.

18 (9) There is appropriated to the Department of Environmental  
19 Protection the unappropriated balances from the “Pinelands  
20 Infrastructure Trust Fund,” established pursuant to section 14 of the  
21 “Pinelands Infrastructure Trust Bond Act of 1985,” P.L.1985, c.302,  
22 and any repayments of loans and interest therefrom, as may be  
23 available on or before June 30, 2021, for the purposes of clean  
24 water project loans and drinking water project loans and providing  
25 the State match as may be required for the award of the  
26 capitalization grants made available to the State for clean water  
27 projects pursuant to the Federal Clean Water Act and for drinking  
28 water projects pursuant to the Federal Safe Drinking Water Act.

29 (10) There is appropriated to the Department of Environmental  
30 Protection the unappropriated balances from the “Stormwater  
31 Management and Combined Sewer Overflow Abatement Fund,”  
32 established pursuant to the “Stormwater Management and  
33 Combined Sewer Overflow Abatement Bond Act of 1989,”  
34 P.L.1989, c.181, and any repayments of loans and interest  
35 therefrom, as may be available on or before June 30, 2021, for the  
36 purposes of clean water project loans and providing the State match  
37 as may be required for the award of the capitalization grants made  
38 available to the State for clean water projects pursuant to the  
39 Federal Clean Water Act.

40 (11) There is appropriated to the Department of Environmental  
41 Protection the unappropriated balances from the Drinking Water  
42 State Revolving Fund and any repayments of loans and interest  
43 therefrom, including the balances from the Federal Disaster Relief  
44 Appropriations Act as may be available on or before June 30, 2021,  
45 for the purposes of drinking water project loans.

46 (12) There is appropriated to the Department of Environmental  
47 Protection such sums as may be needed from loan repayments and

1 interest earnings from the “Water Supply Fund,” established  
2 pursuant to section 14 of the “Water Supply Bond Act of 1981,”  
3 P.L.1981, c.261, for the “Drinking Water State Revolving Fund  
4 Match Accounts” contained within that fund, for the purpose of  
5 providing the State match as may be required for the award of the  
6 capitalization grants made available to the State for drinking water  
7 projects pursuant to the Federal Safe Drinking Water Act.

8 (13) There is appropriated to the Department of Environmental  
9 Protection from the “Interim Environmental Financing Program  
10 Fund,” established by the New Jersey Infrastructure Bank pursuant  
11 to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9), such  
12 amounts as may be available on or before June 30, 2021, and any  
13 repayments of loans and interest therefrom, as may be necessary to  
14 supplement the sums appropriated from the Drinking Water State  
15 Revolving Fund for the purposes of drinking water project loans  
16 and providing the State match as may be required for the award of  
17 the capitalization grants made available to the State for drinking  
18 water projects pursuant to the Federal Safe Drinking Water Act.

19 (14) There is appropriated to the Department of Environmental  
20 Protection from the “Disaster Relief Emergency Financing Program  
21 Fund,” established by the New Jersey Infrastructure Bank pursuant  
22 to section 1 of P.L.2013, c.93 (C.58:11B-9.5), such amounts as may  
23 be necessary to supplement the sums appropriated from the  
24 Drinking Water State Revolving Fund for the purposes of drinking  
25 water project loans and providing the State match as may be  
26 required for the award of the capitalization grants made available to  
27 the State for drinking water projects pursuant to the Federal Safe  
28 Drinking Water Act.

29 (15) There is appropriated to the Department of Environmental  
30 Protection such amounts as may be received by the Department of  
31 Community Affairs, as the grantee from the United States  
32 Department of Housing and Urban Development Community  
33 Development Block Grant - Disaster Recovery Program (CDBG-  
34 DR), as may be available on or before June 30, 2021, for the  
35 purposes of CDBG-DR eligible clean water and drinking water  
36 project loans and providing the State match as may be required for  
37 the award of the capitalization grants made available to the State for  
38 clean water projects pursuant to the Federal Clean Water Act and  
39 drinking water projects pursuant to the Federal Safe Drinking Water  
40 Act.

41 (16) There is appropriated to the Department of Environmental  
42 Protection such sums as may be available on or before June 30,  
43 2021, as repayments of drinking water project loans and any interest  
44 therefrom from the “Water Supply Fund,” established pursuant to  
45 section 14 of the “Water Supply Bond Act of 1981,” P.L.1981,  
46 c.261, for the purposes of drinking water project loans and  
47 providing the State match as may be required for the award of the

1 capitalization grants made available to the State for drinking water  
2 projects pursuant to the Federal Safe Drinking Water Act.

3 (17) Of the sums appropriated to the Department of  
4 Environmental Protection from the “Water Supply Fund” pursuant  
5 to P.L.1999, c.174, P.L.2001, c.222, P.L.2002, c.70, and P.L.2003,  
6 c.158, the department is authorized to transfer any unexpended  
7 balances and any repayments of loans and interest therefrom as may  
8 be available on or before June 30, 2021, in such amounts as needed  
9 to the Drinking Water State Revolving Fund accounts contained  
10 within the Water Supply Fund established for the purposes of  
11 providing drinking water project loans and providing the State  
12 match as may be required for the award of the capitalization grants  
13 made available to the State for drinking water projects pursuant to  
14 the Federal Safe Drinking Water Act.

15 (18) Of the sums appropriated to the Department of  
16 Environmental Protection from the “1992 Wastewater Treatment  
17 Fund” pursuant to P.L.1996, c.85, P.L.1997, c.221, P.L.1998, c.84,  
18 P.L.1999, c.174, P.L.2000, c.92, P.L.2001, c.222, and P.L.2002,  
19 c.70, the department is authorized to transfer any unexpended  
20 balances and any repayments of loans and interest therefrom as may  
21 be available on or before June 30, 2021, in such amounts as needed  
22 to the Clean Water State Revolving Fund accounts contained within  
23 the 1992 Wastewater Treatment Fund for the purposes of providing  
24 clean water project loans and providing the State match as may be  
25 required for the award of the capitalization grants made available to  
26 the State for clean water projects pursuant to the Federal Clean  
27 Water Act.

28 (19) Of the sums appropriated to the Department of  
29 Environmental Protection from the “2003 Water Resources and  
30 Wastewater Treatment Fund” pursuant to P.L.2004, c.109 and  
31 P.L.2007, c.139, the department is authorized to transfer any  
32 unexpended balances and any repayments of loans and interest  
33 therefrom as may be available on or before June 30, 2021, in such  
34 amounts as needed to the Clean Water State Revolving Fund  
35 accounts contained within the 2003 Water Resources and  
36 Wastewater Treatment Fund for the purposes of providing clean  
37 water project loans and providing the State match as may be  
38 required for the award of the capitalization grants made available to  
39 the State for clean water projects pursuant to the Federal Clean  
40 Water Act.

41 (20) There is appropriated to the Department of Environmental  
42 Protection the sums deposited by the New Jersey Infrastructure  
43 Bank into the Clean Water State Revolving Fund, the “Wastewater  
44 Treatment Fund,” the “1992 Wastewater Treatment Fund,” the  
45 “Water Supply Fund,” the “Stormwater Management and Combined  
46 Sewer Overflow Abatement Fund,” established pursuant to the  
47 “Stormwater Management and Combined Sewer Overflow

1 Abatement Bond Act of 1989,” P.L.1989, c.181, the “2003 Water  
2 Resources and Wastewater Treatment Fund,” and the Drinking  
3 Water State Revolving Fund, as appropriate, pursuant to paragraph  
4 (6) of subsection c. of section 1 of P.L. , c. (pending before the  
5 Legislature as Senate Bill No. 2498 of 2020 and Assembly Bill No.  
6 of 2020), as may be available on or before June 30, 2021, for the  
7 purposes of providing clean water project loans and drinking water  
8 project loans and providing the State match as may be required for  
9 the award of the capitalization grants made available to the State for  
10 clean water projects pursuant to the Federal Clean Water Act and  
11 for drinking water projects pursuant to the Federal Safe Drinking  
12 Water Act.

13 Any such amounts shall be for the purpose of making zero  
14 interest and principal forgiveness financing loans, to the extent  
15 sufficient funds are available, to or on behalf of local government  
16 units or public water utilities (hereinafter referred to as “project  
17 sponsors”) to finance a portion of the cost of the construction of  
18 clean water projects and drinking water projects listed in sections 2  
19 and 3 of this act, and for the purpose of implementing and  
20 administering the provisions of this act, to the extent permitted by  
21 the Federal Disaster Relief Appropriations Act, the Federal Clean  
22 Water Act, the Federal Safe Drinking Water Act, P.L.2009, c.77,  
23 the “Wastewater Treatment Bond Act of 1985.” P.L.1985, c.329,  
24 the “Water Supply Bond Act of 1981,” P.L.1981, c.261, the  
25 “Stormwater Management and Combined Sewer Overflow  
26 Abatement Bond Act of 1989,” P.L.1989, c.181, the “Green Acres,  
27 Clean Water, Farmland and Historic Preservation Bond Act of  
28 1992,” P.L.1992, c.88, the “Dam, Lake, Stream, Flood Control,  
29 Water Resources, and the Wastewater Treatment Project Bond Act  
30 of 2003,” P.L.2003, c.162, and any amendatory and supplementary  
31 acts thereto.

32 b. The department is authorized to make zero interest and  
33 principal forgiveness financing loans to or on behalf of the project  
34 sponsors for the environmental infrastructure projects listed in  
35 subsection a. of section 2 and subsection a. of section 3 of this act  
36 for clean water projects, up to the individual amounts indicated and  
37 in the priority stated, to the extent there are sufficient eligible  
38 project applications, except that any such amounts may be reduced  
39 if a project fails to meet the requirements of sections 4 or 5 of this  
40 act, or by the Commissioner of Environmental Protection pursuant  
41 to section 7 of this act, provided:

42 (1) a maximum of \$15 million in principal forgiveness loans,  
43 plus any appropriated but unallocated funds designated in State  
44 fiscal year 2020 for combined sewer overflow projects, shall be  
45 issued as provided in subsection a. of section 3 of this act to  
46 communities in combined sewer overflow sewersheds sponsoring  
47 construction projects that reduce or eliminate discharges from

1 combined sewer overflow outfalls, wherein principal forgiveness  
2 loans shall not exceed \$4 million per borrower subject to the  
3 availability of funds, and wherein 50 percent of the principal of the  
4 fund loan shall be forgiven, 25 percent of the loan shall be a zero  
5 interest rate fund loan, and 25 percent of the loan shall be a trust  
6 market rate loan. For project costs greater than \$4 million up to and  
7 including \$10 million, 75 percent of the loan shall be a zero interest  
8 rate fund loan and 25 percent of the loan shall be a trust market rate  
9 loan. For project costs greater than \$10 million, 50 percent of the  
10 loan shall be a zero interest rate fund loan and 50 percent of the  
11 loan shall be a trust market rate loan;

12 (2) a maximum of \$10 million in principal forgiveness loans  
13 shall be issued as provided in subsection a. of section 3 of this act  
14 for water quality restoration projects wherein principal forgiveness  
15 loans shall not exceed \$2 million per borrower subject to the  
16 availability of funds, and wherein 50 percent of the principal of the  
17 fund loan shall be forgiven, 25 percent of the loan shall be a zero  
18 interest rate fund loan, and 25 percent of the loan shall be a trust  
19 market rate loan subject to the availability of funds. For project  
20 costs greater than \$4 million up to and including \$10 million, 75  
21 percent of the loan shall be a zero interest rate fund loan and 25  
22 percent of the loan shall be a trust market rate loan. For project  
23 costs greater than \$10 million, 50 percent of the loan shall be a zero  
24 interest rate fund loan and 50 percent of the loan shall be a trust  
25 market rate loan;

26 (3) to the extent funds are available, a maximum of \$500,000 in  
27 principal forgiveness loans shall be issued to finance clean water  
28 environmental infrastructure projects as provided in subsection a. of  
29 section 3 of this act for systems serving populations of up to 10,000  
30 residents for the development of asset management plans wherein  
31 principal forgiveness shall be 100 percent of the fund loan amount  
32 per project in an amount not to exceed \$100,000 per project  
33 sponsor; and

34 (4) those projects listed in subsection a. of section 2 of this act  
35 and subsection a. of section 3 of this act that were previously  
36 identified in P.L.2019, c.193, as amended by P.L.2019, c.514, are  
37 granted continued priority status and shall be subject to the  
38 provisions of P.L.2019, c.193, as amended by P.L.2019, c.514,  
39 provided such projects receive short-term funding prior to June 30,  
40 2020.

41 c. The department is authorized to make zero interest and  
42 principal forgiveness financing loans to or on behalf of the project  
43 sponsors for the environmental infrastructure projects listed in  
44 subsection b. of section 3 of this act for drinking water projects, up  
45 to the individual amounts indicated and in the priority stated,  
46 provided:



1 (1) a maximum of 30 percent of the 2020 Drinking Water State  
2 Revolving Fund capitalization grant, not to exceed \$5 million, plus  
3 any funds transferred to the Drinking Water State Revolving Fund  
4 pursuant to paragraph (4) of subsection a. of this section may be  
5 issued as provided in subsection b. of section 3 of this act for  
6 drinking water systems, as follows:

7 (a) up to \$4 million of Drinking Water State Revolving Fund  
8 loans, plus any appropriated but unallocated funds designated in  
9 State fiscal year 2020 for drinking water systems serving  
10 populations of up to 10,000 residents, shall be available for drinking  
11 water systems serving populations of up to 10,000 residents  
12 wherein principal forgiveness shall not exceed \$500,000 in the  
13 aggregate and shall not exceed 50 percent of the total loan amount  
14 per project sponsor in an amount not to exceed \$1 million per  
15 project sponsor.

16 Loans for drinking water systems serving 500 or fewer residents  
17 shall be given the highest priority, followed by systems serving 501  
18 to 10,000 residents;

19 (b) a maximum of \$500,000 in principal forgiveness loans shall  
20 be issued to drinking water systems serving populations of up to  
21 10,000 residents for the development of asset management plans  
22 wherein principal forgiveness shall be 100 percent of the fund loan  
23 amount per project in an amount not to exceed \$100,000 per project  
24 sponsor subject to the availability of funds; and

25 (c) a maximum of \$10 million of principal forgiveness for  
26 drinking water systems serving communities with a population of  
27 up to 1,000 residents for corrosion control treatment and lead  
28 service line replacement projects wherein principal forgiveness  
29 shall not exceed 90 percent of the total fund loan amount of \$1  
30 million per water system;

31 (2) up to \$103 million of moneys from the Drinking Water State  
32 Revolving Fund, plus any appropriated but unallocated funds  
33 designated in State fiscal year 2020, may be issued for principal  
34 forgiveness loans for drinking water systems serving communities  
35 with a weighted median household income less than the median  
36 household income for the State to finance lead service line  
37 replacements, wherein principal forgiveness shall not exceed 50  
38 percent of the total fund loan amount of: \$2 million per water  
39 system for systems with fewer than 1,000 known lead service lines,  
40 \$10 million per water system for systems with 1,000 to 5,000  
41 known lead service lines, and \$40 million per water system for  
42 systems with greater than 5,000 known lead service lines.

43 Loans may be made pursuant to this subsection to the extent  
44 there are sufficient eligible project applications and as may be  
45 required for the award of the capitalization grants made available to  
46 the State for drinking water projects pursuant to the Federal Safe  
47 Drinking Water Act. Any such amounts may be reduced by the

1 Commissioner of Environmental Protection pursuant to section 7 of  
2 this act, or if a project fails to meet the requirements of section 4 or  
3 5 of this act; and

4 (3) Those projects listed in subsections a. and b. of section 3 of  
5 this act that were previously identified in P.L.2019, c.193, as  
6 amended by P.L.2019, c.514, are granted continued priority status  
7 and shall be subject to the provisions of P.L.2019, c.193, as  
8 amended by P.L.2019, c.514, provided such projects receive short-  
9 term funding prior to June 30, 2020.

10 d. The department is authorized to make zero interest and  
11 principal forgiveness financing loans to or on behalf of the project  
12 sponsors for the environmental infrastructure projects listed in  
13 sections 2 and 3 of this act under the same terms, conditions and  
14 requirements set forth in this section from any unexpended balances  
15 of the amounts appropriated pursuant to section 1 of P.L.1987,  
16 c.200, section 2 of P.L.1988, c.133, section 1 of P.L.1989, c.189,  
17 section 1 of P.L.1990, c.99, section 1 of P.L.1991, c.325, section 1  
18 of P.L.1992, c.38, section 1 of P.L.1993, c.193, section 1 of  
19 P.L.1994, c.106, section 1 of P.L.1995, c.219, section 1 of  
20 P.L.1996, c.85, section 1 of P.L.1997, c.221, section 2 of P.L.1998,  
21 c.84, section 2 of P.L.1999, c.174, section 2 of P.L.2000, c.92,  
22 sections 1 and 2 of P.L.2001, c.222, sections 1 and 2 of P.L.2002,  
23 c.70, sections 1 and 2 of P.L.2003, c.158, sections 1 and 2 of  
24 P.L.2004, c.109, sections 1 and 2 of P.L.2005, c.196, sections 1 and  
25 2 of P.L.2006, c.68, sections 1 and 2 of P.L.2007, c.139, sections 1  
26 and 2 of P.L.2008, c.68, sections 1 and 2 of P.L.2009, c.102,  
27 sections 1 and 2 of P.L.2010, c.63, sections 1 and 2 of P.L.2011,  
28 c.93, sections 1 and 2 of P.L.2012, c.43, sections 1 and 2 of  
29 P.L.2013, c.95, sections 1 and 2 of P.L.2014, c.25, sections 1 and 2  
30 of P.L.2015, c.108, sections 1 and 2 of P.L.2016, c.32, as amended  
31 by P.L.2017, c.14, sections 1 and 2 of P.L.2017, c.143, as amended  
32 by P.L.2017, c.326, sections 1 and 2 of P.L.2018, c.85, as amended  
33 by P.L.2018, c.137 and P.L.2019, c.12, and sections 1 and 2 of  
34 P.L.2019, c.193, as amended by P.L.2019, c.514, including amounts  
35 resulting from the low bid and final building cost reductions  
36 authorized pursuant to section 6 of P.L.1987, c.200, section 7 of  
37 P.L.1988, c.133, section 6 of P.L.1989, c.189, section 6 of  
38 P.L.1990, c.99, section 6 of P.L.1991, c.325, section 6 of P.L.1992,  
39 c.38, section 6 of P.L.1993, c.193, section 6 of P.L.1994, c.106,  
40 section 6 of P.L.1995, c.219, section 6 of P.L.1996, c.85, section 6  
41 of P.L.1997, c.221, section 7 of P.L.1998, c.84, section 6 of  
42 P.L.1999, c.174, section 6 of P.L.2000, c.92, section 6 of P.L.2001,  
43 c.222, section 6 of P.L.2002, c.70, section 6 of P.L.2003, c.158,  
44 section 6 of P.L.2004, c.109, section 6 of P.L.2005, c.196, section 6  
45 of P.L.2006, c.68, section 6 of P.L.2007, c.139, section 6 of  
46 P.L.2008, c.68, section 7 of P.L.2009, c.102, section 6 of P.L.2010,  
47 c.63, section 6 of P.L.2011, c.93, section 6 of P.L.2012, c.43,

1 section 6 of P.L.2013, c.95, section 7 of P.L.2014, c.25, section 7 of  
2 P.L.2015, c.108, section 7 of P.L.2016, c.32, as amended by  
3 P.L.2017, c.14, section 7 of P.L.2017, c.143 as amended by  
4 P.L.2017, c.326, section 7 of P.L.2018, c.85, as amended by  
5 P.L.2018, c.137 and P.L.2019, c.12, and section 7 of P.L.2019,  
6 c.193, as amended by P.L.2019, c.514, and from any repayments of  
7 loans and interest from the Clean Water State Revolving Fund, the  
8 "Wastewater Treatment Fund," the "Water Supply Fund," the "1992  
9 Wastewater Treatment Fund," the "2003 Water Resources and  
10 Wastewater Treatment Fund," and amounts deposited therein during  
11 State fiscal year 2019 and State fiscal year 2020 pursuant to the  
12 provisions of section 16 of P.L.1985, c.329, and section 2 of  
13 P.L.2009, c.77 and any amendatory and supplementary acts thereto,  
14 including any Clean Water State Revolving Fund Accounts  
15 contained within the "Wastewater Treatment Fund," and from any  
16 repayment of loans and interest from the Drinking Water State  
17 Revolving Fund.

18 e. The department is authorized to make zero interest and  
19 principal forgiveness Sandy financing loans to or on behalf of the  
20 project sponsors for the Sandy environmental infrastructure projects  
21 listed in subsection a. of section 3 of this act for clean water  
22 projects, in a manner consistent with the Federal Disaster Relief  
23 Appropriations Act, up to the individual amounts indicated, except  
24 that any such amount may be reduced by the Commissioner of  
25 Environmental Protection pursuant to section 7 of this act, or if a  
26 project fails to meet the requirements of section 4, 5, or 7 of this  
27 act, provided a maximum of \$300 million shall be provided for  
28 Sandy financing loans for clean water projects to provide financial  
29 assistance to communities affected by the Storm Sandy, and for  
30 projects whose purpose is to reduce flood damage risk and  
31 vulnerability or to enhance resiliency to rapid hydrologic change or  
32 a natural disaster.

33 f. For the purposes of this act:

34 "Base financing" means zero interest loans provided by the  
35 Department of Environmental Protection from moneys made  
36 available for the purposes of this act from any source other than  
37 funds received pursuant to the Federal Disaster Relief  
38 Appropriations Act, related State matching funds, and interest  
39 earned thereon.

40 "Federal Disaster Relief Appropriations Act" means the  
41 "Disaster Relief Appropriations, 2013," Pub.L.113-2, and any  
42 amendatory and supplementary acts thereto.

43 "Sandy financing" or "Sandy funding" means grants, zero  
44 interest loans or principal forgiveness loans provided by the  
45 Department of Environmental Protection from funds made available  
46 to the State for clean water projects or clean water project match,  
47 pursuant to the Federal Disaster Relief Appropriations Act.

1        2. a. (1) The department is authorized to expend funds for  
2 the purpose of making supplemental zero interest loans to or on  
3 behalf of the project sponsors listed below for the following clean  
4 water environmental infrastructure projects:  
5

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Loan Amount
Elizabeth City	S340942-19R	\$206,250	\$275,000
Ocean Twp. SA	S340750-14R	\$750,000	\$1,000,000
Paterson City	S340850-03-1	\$1,800,000	\$2,400,000
Rockaway Valley RSA	S340821-06-1	\$581,250	\$775,000
Somerville Borough	S342013-01-1	\$1,387,500	\$1,850,000
<b>Total Projects: 5</b>		<b>\$4,725,000</b>	<b>\$6,300,000</b>

6  
7        (2) The loans authorized in this subsection shall be made for the  
8 difference between the allowable loan amounts required by these  
9 projects based upon final building costs pursuant to section 7 of this  
10 act and the loan amounts certified by the Commissioner of  
11 Environmental Protection in State fiscal years 2008, 2019, and 2020  
12 and for increased allowable costs as defined and determined in  
13 accordance with the rules and regulations adopted by the  
14 department pursuant to section 4 of P.L.1985, c.329. The loans  
15 authorized in this subsection shall be made to or on behalf of the  
16 project sponsors listed, up to the individual amounts indicated and  
17 in the priority stated, to the extent sufficient funds are available,  
18 except as a project fails to meet the requirements of section 4, 5, or  
19 7 of this act.

20        (3) The zero interest loans for the projects authorized in this  
21 subsection shall have priority over projects listed in subsection a. of  
22 section 3 of this act.

23        b. (1) The Department of Environmental Protection is  
24 authorized to expend funds for the purpose of making supplemental  
25 loans to or on behalf of the project sponsors listed below for the  
26 following drinking water environmental infrastructure projects:

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Loan Amount
Newark City	0714001-016R	\$1,275,000	\$1,700,000
North Jersey District Water Supply Comm.	1613001-025R	\$19,125,000	\$25,500,000
<b>Total Projects: 2</b>		<b>\$20,400,000</b>	<b>\$27,200,000</b>

1

2       (2) The loans authorized in this subsection shall be made for the  
3 difference between the allowable loan amount required by these  
4 projects based upon final building costs pursuant to section 7 of this  
5 act and the loan amounts certified by the Commissioner of  
6 Environmental Protection in State fiscal year 2020 and for increased  
7 allowable costs as defined and determined in accordance with the  
8 rules and regulations adopted by the department pursuant to section  
9 5 of P.L.1981, c.261. The loans authorized in this subsection shall  
10 be made to or on behalf of the project sponsors listed, up to the  
11 individual amounts indicated and in the priority stated, to the extent  
12 sufficient funds are available, except as a project fails to meet the  
13 requirements of section 4, 5, or 7 of this act.

14       (3) The zero interest loans for the projects authorized in this  
15 subsection shall have priority over projects listed in subsection b. of  
16 section 3 of this act.

17       c. The Department of Environmental Protection is authorized  
18 to adjust the allowable Department of Environmental Protection  
19 loan amount for projects authorized in this section to between zero  
20 percent and 100 percent of the total allowable loan amount, and, if  
21 the Department of Environmental Protection loan amount is  
22 adjusted to 100 percent of the total allowable loan amount, the loan  
23 shall be provided pursuant to the terms and conditions of the  
24 financing program year in which the trust issued an interim  
25 financing program loan for the project or, in the absence of an  
26 interim financing program loan, the terms and conditions of the  
27 State fiscal year 2021 financing program.

28

29       3. a. (1) The following environmental infrastructure projects  
30 shall be known and may be cited as the “Storm Sandy and State  
31 Fiscal Year 2021 Clean Water Project Eligibility List”:

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Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Loan Amount
Camden County MUA	S340640-17	\$2,625,000	\$3,500,000
Camden County MUA	S340640-24	\$4,875,000	\$6,500,000
Rahway Valley SA	S340547-14	\$7,125,000	\$9,500,000
Rahway Valley SA	S340547-15	\$1,941,389	\$2,588,518
Camden County MUA	S340640-22	\$2,625,000	\$3,500,000
Camden County MUA	S340640-23	\$4,200,000	\$5,600,000
Newark City	S340815-28	\$4,500,000	\$6,000,000
Camden County MUA	S340640-16	\$9,975,000	\$13,300,000
Newark City	S340815-24	\$15,750,000	\$21,000,000
Camden City	S340366-15	\$9,997,500	\$13,330,000
Camden County MUA	S340640-18	\$63,022,500	\$84,030,000
North Bergen MUA	S340652-14	\$17,250,000	\$23,000,000
Jersey City MUA	S340928-15	\$30,750,000	\$41,000,000
Jersey City MUA	S340928-20	\$5,400,000	\$7,200,000
Jersey City MUA	S340928-21	\$9,750,000	\$13,000,000
Jersey City MUA	S340928-28	\$2,025,000	\$2,700,000
Jersey City MUA	S340928-31	\$8,294,700	\$11,059,600
Jersey City MUA	S340928-34	\$885,885	\$1,181,180
Elizabeth City	S340942-17	\$4,875,000	\$6,500,000
Camden County MUA	S340640-13	\$9,600,000	\$12,800,000
Long Branch SA	S340336-08	\$1,305,525	\$1,740,700
Ocean County UA	S340372-62	\$3,225,000	\$4,300,000
Ocean County UA	S340372-59	\$5,715,000	\$7,620,000
Hoboken City	S340635-07	\$3,750,000	\$5,000,000
Hoboken City	S340635-09	\$375,000	\$500,000
Mount Laurel Twp. MUA	S340943-06	\$6,000,000	\$8,000,000
Jersey City	S340928-30	\$2,033,250	\$2,711,000

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North Hudson SA	S340952-30	\$17,400,000	\$23,200,000
North Hudson SA	S345190-01	\$4,500,000	\$6,000,000
Riverside SA	S340490-01	\$630,000	\$840,000
Perth Amboy City	S340435-11	\$4,844,513	\$6,459,351
Perth Amboy City	S340435-14	\$1,956,000	\$2,608,000
Perth Amboy City	S345220-01	\$750,000	\$1,000,000
Hackensack City	S340923-14	\$6,000,000	\$8,000,000
Somerset Raritan Valley SA	S340801-09	\$4,875,000	\$6,500,000
Passaic Valley SC	S340689-48	\$675,308	\$900,410
Passaic Valley SC	S340689-38	\$15,750,000	\$21,000,000
Passaic Valley SC	S345200-01	\$6,000,000	\$8,000,000
Passaic Valley SC	S345200-02	\$1,500,000	\$2,000,000
Passaic Valley SC	S340689-30	\$2,775,000	\$3,700,000
Passaic Valley SC	S340689-32	\$7,500,000	\$10,000,000
Northwest Bergen County UA	S340700-16	\$3,675,000	\$4,900,000
Bergen County UA	S340386-21	\$5,700,000	\$7,600,000
Linden Roselle SA	S340299-09	\$1,575,000	\$2,100,000
Linden Roselle SA	S340299-08	\$12,750,000	\$17,000,000
Lambertville MUA	S340882-09	\$1,350,000	\$1,800,000
Raritan Twp. MUA	S340485-12	\$3,675,000	\$4,900,000
Clinton Town	S340924-08	\$3,075,000	\$4,100,000
Gloucester County UA	S340902-15	\$8,625,000	\$11,500,000
Stafford Twp.	S344100-03	\$4,200,000	\$5,600,000
Allentown Borough	S340567-05	\$3,825,000	\$5,100,000
JMEUC - East Orange City	S340686-09a	\$465,378	\$620,504
JMEUC - Elizabeth City	S340686-09b	\$4,879,407	\$6,505,876
JMEUC - Hillside Twp.	S340686-09c	\$681,323	\$908,430
JMEUC - Irvington Twp.	S340686-09d	\$1,689,260	\$2,252,347
JMEUC - Newark City	S340686-09e	\$1,022,282	\$1,363,042

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JMEUC - South Orange Village Twp.	S340686-09f	\$488,105	\$650,806
JMEUC - Summit City	S340686-09g	\$889,742	\$1,186,322
JMEUC - Union Twp.	S340686-09h	\$1,837,001	\$2,449,335
JMEUC - West Orange Twp.	S340686-09i	\$1,189,072	\$1,585,429
Howell Twp.	S344040-02	\$11,010,000	\$14,680,000
Ocean County	S344080-10	\$187,500	\$250,000
Ocean County	S344080-11	\$262,500	\$350,000
Rockaway Valley RSA	S340821-07	\$6,150,000	\$8,200,000
Ocean County	S344080-09	\$975,000	\$1,300,000
Western Monmouth UA	S340128-06	\$9,825,000	\$13,100,000
Chatham (MCJM) Borough	S340715-07A	\$2,250,000	\$3,000,000
Madison (MCJM) Borough	S340715-07B	\$3,750,000	\$5,000,000
Point Pleasant Beach Borough	S344190-02	\$2,362,500	\$3,150,000
Long Branch SA	S340336-09	\$4,200,000	\$5,600,000
Manasquan River RSA	S340911-03	\$495,000	\$660,000
Delran Twp.	S340794-10	\$1,575,000	\$2,100,000
Middlesex County UA	S340699-14	\$8,250,000	\$11,000,000
Monmouth County Bayshore Outfall Authority	S340325-04	\$2,625,000	\$3,500,000
Ocean County UA	S340372-60	\$652,500	\$870,000
Brick Twp. MUA	S340448-11	\$4,275,000	\$5,700,000
Northwest Bergen County UA	S340700-15	\$5,250,000	\$7,000,000
Northwest Bergen County UA	S340700-18	\$1,500,000	\$2,000,000
Northwest Bergen County UA	S340700-19	\$6,099,338	\$8,132,450
Western Monmouth UA	S340128-05	\$5,887,500	\$7,850,000
Old Bridge MUA	S340945-14	\$2,700,000	\$3,600,000
Franklin Twp. SA	S340839-08	\$3,150,000	\$4,200,000
Evesham MUA	S340838-07	\$1,200,000	\$1,600,000



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Winslow Twp.	S340895-10	\$1,275,000	\$1,700,000
Ocean Twp. SA	S340750-12	\$3,375,000	\$4,500,000
Vernon Twp.	S340745-03	\$82,500	\$110,000
Scotch Plains Twp.	S340512-01	\$2,025,000	\$2,700,000
West Deptford Twp.	S340947-05	\$1,061,250	\$1,415,000
Princeton	S340656-11	\$2,944,259	\$3,925,678
Warren Twp. SA	S340964-05	\$8,100,000	\$10,800,000
Middlesex Borough	S340698-02	\$1,926,563	\$2,568,750
Red Bank Borough	S340528-01	\$1,125,000	\$1,500,000
North Haledon Borough	S340229-02	\$75,000	\$100,000
Glen Ridge Borough	S340861-03	\$334,387	\$445,849
Glen Ridge Borough	S340861-04	\$1,725,000	\$2,300,000
Emerson Borough	S340497-01	\$75,000	\$100,000
Bradley Beach Borough	S340472-01	\$2,025,000	\$2,700,000
Lambertville MUA	S340882-10	\$525,000	\$700,000
Hamburg Borough	S340149-03	\$75,000	\$100,000
Long Beach Twp.	S340023-07	\$3,450,000	\$4,600,000
Long Beach Twp.	S340023-08	\$90,000	\$120,000
Passaic Valley SC	S340689-45	\$7,657,577	\$10,210,102
Lakewood Twp. MUA	S340465-02	\$3,240,000	\$4,320,000
Cumberland County	S340438-03	\$12,750,000	\$17,000,000
Cranford Twp.	S340858-04	\$9,000,000	\$12,000,000
Gloucester Twp.	S340364-11	\$712,500	\$950,000
Gloucester Twp.	S340364-15	\$1,087,500	\$1,450,000
Spotswood Borough	S340510-01	\$4,070,250	\$5,427,000
Paulsboro Borough	S340164-01	\$2,062,500	\$2,750,000
North Hudson SA	S340952-36	\$675,000	\$900,000
Clinton Town	S340924-07	\$600,000	\$800,000
Sussex County MUA	S342008-04	\$5,552,370	\$7,403,160

Kearny Town	S340259-12	\$16,125,000	\$21,500,000
Burlington City	S340140-02	\$1,950,000	\$2,600,000
Willingboro MUA	S340132-11	\$7,500,000	\$10,000,000
Lakewood Twp. MUA	S340465-03	\$1,312,500	\$1,750,000
Bloomfield Twp.	S340516-01	\$5,423,228	\$7,230,970
Brick Twp. MUA	S340448-14	\$1,500,000	\$2,000,000
North Brunswick Twp.	S340888-02	\$6,000,000	\$8,000,000
Manchester Twp.	S340650-08	\$2,250,000	\$3,000,000
Point Pleasant Beach Borough	S340479-04	\$1,447,500	\$1,930,000
Allentown Borough	S340567-06	\$498,704	\$664,938
Ship Bottom Borough	S340311-04	\$2,062,500	\$2,750,000
<b>Total Projects: 123</b>		<b>\$583,016,066</b>	<b>\$777,354,747</b>

1  
2       (2) The Department of Environmental Protection is authorized  
3 to make clean water project loans to the following municipalities  
4 receiving funding from the “Pinelands Infrastructure Trust Fund,”  
5 established pursuant to section 14 of the “Pinelands Infrastructure  
6 Trust Bond Act of 1985,” P.L.1985, c.302:  
7

<b>Project Sponsor</b>	<b>Project Number</b>	<b>Estimated Total Loan Amount</b>
Pemberton Twp.	Pinelands 1	\$2,929,000
Manchester Twp./ Jackson MUA	Pinelands 2	\$7,192,035
Galloway Twp.	Pinelands 4	\$3,493,440
Winslow Twp.	Pinelands 5	\$1,728,940
<b>Total Pinelands Projects: 4</b>		<b>\$15,343,415</b>

8  
9       b. The following environmental infrastructure projects shall be  
10 known and may be cited as the “State Fiscal Year 2021 Drinking  
11 Water Project Eligibility List”:

<b>Project Sponsor</b>	<b>Project Number</b>	<b>Estimated Allowable DEP Loan Amount</b>	<b>Estimated Total Loan Amount</b>
Newark City	0714001-020	\$13,125,000	\$17,500,000
Newark City	0714001-019	\$9,375,000	\$12,500,000
Trenton City	1111001-011	\$15,255,000	\$20,340,000
Bloomfield Twp.	0702001-003	\$823,796	\$1,098,395
NJ American Water Co., Inc.	1345001-017	\$7,575,000	\$10,100,000
Burlington City	0305001-002	\$2,700,000	\$3,600,000
Moorestown Twp.	0322001-001	\$18,468,750	\$24,625,000
Brick Twp. MUA	1506001-011	\$15,667,500	\$20,890,000
East Greenwich	0803001-004	\$1,950,000	\$2,600,000
Jersey City MUA	0906001-017	\$1,305,180	\$1,740,240
Newark City	0714001-018	\$3,862,500	\$5,150,000
Jersey City MUA	0906001-019	\$5,025,000	\$6,700,000
NJ American Water Co., Inc.	1345001-021	\$19,758,750	\$26,345,000
Manchester Twp.	1518005-002	\$4,125,000	\$5,500,000
Paulsboro Borough	0814001-003	\$2,100,000	\$2,800,000
Jersey City MUA	0906001-009	\$2,077,500	\$2,770,000
Middlesex Water Co.	1225001-028	\$8,400,000	\$11,200,000
Hoboken City	0905001-002	\$6,000,000	\$8,000,000
Wall Twp.	1352003-001	\$1,350,000	\$1,800,000
Wall Twp.	1352003-002	\$2,775,000	\$3,700,000
Clinton Town	1005001-010	\$1,086,140	\$1,448,187
Clinton Town	1005001-011	\$949,355	\$1,265,807
Spotswood Borough	1224001-001	\$2,582,936	\$3,443,914
Glen Ridge Borough	0708001-008	\$1,929,908	\$2,573,210
Jersey City MUA	0906001-020	\$4,965,000	\$6,620,000
Jersey City MUA	0906001-021	\$8,250,000	\$11,000,000
Jackson Twp. MUA	1511001-013	\$15,000,000	\$20,000,000

Berkeley Twp. MUA	1505004-009	\$1,875,000	\$2,500,000
Jersey City MUA	0906001-015	\$2,691,950	\$3,589,266
Hoboken City	0905001-001	\$6,375,000	\$8,500,000
Middlesex Water Co.	1225001-025	\$42,750,000	\$57,000,000
Evesham MUA	0313001-001	\$1,950,000	\$2,600,000
Brick Twp. MUA	1506001-009	\$4,446,570	\$5,928,760
Clinton Town	1005001-012	\$2,625,000	\$3,500,000
Milltown Borough	1212001-005	\$1,350,000	\$1,800,000
NJ American Water Co., Inc.	2004002-013	\$12,000,000	\$16,000,000
Jackson Twp. MUA	1511001-012	\$8,250,000	\$11,000,000
Hampton Borough	1013001-001	\$1,350,000	\$1,800,000
Little Egg Harbor MUA	1516001-003	\$4,143,750	\$5,525,000
National Park Borough	0812001-004	\$1,275,000	\$1,700,000
Hopatcong Borough	1912001-004	\$75,000	\$100,000
Hamburg Borough	1909001-001	\$63,750	\$85,000
Highbridge Borough	1014001-001	\$75,000	\$100,000
Hardyston MUA	1911006-003	\$75,000	\$100,000
<b>Total Projects: 44</b>		<b>\$267,853,335</b>	<b>\$357,137,779</b>

1  
2 c. The Department of Environmental Protection is authorized  
3 to adjust the allowable Department of Environmental Protection  
4 loan amount for projects authorized in this section to between zero  
5 percent and 100 percent of the total allowable loan amount, and, if  
6 the Department of Environmental Protection loan amount is  
7 adjusted to 100 percent of the total allowable loan amount, the loan  
8 shall be provided pursuant to the terms and conditions of the  
9 financing program year in which the trust issued an interim  
10 financing program loan for the project or, in the absence of an  
11 interim financing program loan, the terms and conditions of the  
12 State fiscal year 2021 financing program.  
13  
14 4. Any financing loan made by the Department of  
15 Environmental Protection pursuant to this act shall be subject to the  
16 following requirements:

- 1       a. The Commissioner Environmental Protection has certified  
2 that the project is in compliance with the provisions of P.L.1977,  
3 c.224, P.L.1985, c.329, P.L.1992, c.88, P.L.1997, c.223, P.L.1997,  
4 c.225, or P.L.2003, c.162, and any rules and regulations adopted  
5 pursuant thereto;
- 6       b. A loan for an environmental infrastructure project listed in  
7 section 2 or 3 of this act shall be subject to the terms and conditions  
8 of the financing program year in which the trust issued an interim  
9 financing program loan for the project or, in the absence of an  
10 interim financing program loan, the terms and conditions of the  
11 State fiscal year 2021 financing program;
- 12       c. Notwithstanding the provisions of sections 2 and 3 of this  
13 act, the Department of Environmental Protection allowable loan  
14 amount may be 100 percent of the total allowable loan amount for:
- 15       (1) clean water project and drinking water project loans to (a)  
16 municipalities that do not satisfy the New Jersey Infrastructure  
17 Bank credit policy but are subject to State financial supervision and  
18 oversight pursuant to the “Local Government Supervision Act  
19 (1947),” P.L.1947, c.151 (C.52:27BB-1 et seq.), or (b) municipal,  
20 county, or regional sewerage authorities, or utilities authorities, that  
21 do not satisfy the New Jersey Infrastructure Bank credit policy but  
22 where the municipal participant through its service agreement with  
23 the authority or utility is under State financial supervision and  
24 oversight pursuant to the “Local Government Supervision Act  
25 (1947),” P.L.1947, c.151 (C.52:27BB-1 et seq.), and the repayment  
26 obligation of the authority or utility is secured by the full faith and  
27 credit of the participating municipality pursuant to the service  
28 agreement; and
- 29       (2) clean water and drinking water loans to municipalities  
30 receiving funding under the United States Department of Housing  
31 and Urban Development Community Development Block Grant –  
32 Disaster Recovery Program (CDBG-DR);
- 33       d. With the exception of a loan for which the Department of  
34 Environmental Protection issues 100 percent of the loan amount  
35 pursuant to subsection b. of section 2, subsection c. of section 3,  
36 and subsection c. of this section, the loan shall be conditioned upon  
37 approval of a loan from the New Jersey Infrastructure Bank  
38 pursuant to P.L.     , c.     (pending before the Legislature as Senate  
39 Bill No. 2498 of 2020 and Assembly Bill No.     of 2020), prior to  
40 June 30, 2021;
- 41       e. The loan shall be repaid within a period not to exceed 30  
42 years, or 45 years for combined sewer overflow abatement projects,  
43 of the making of the loan; and
- 44       f. The loan shall be subject to any other terms and conditions  
45 as may be established by the commissioner and approved by the  
46 State Treasurer, which may include, notwithstanding any other  
47 provision of law to the contrary, subordination of a loan authorized

1 in this act to loans made by the New Jersey Infrastructure Bank  
2 pursuant to P.L. , c. (pending before the Legislature as Senate  
3 Bill No. 2498 of 2020 and Assembly Bill No. of 2020), or to  
4 administrative fees payable to the trust pursuant to subsection o. of  
5 section 5 of P.L.1985, c.334 (C.58:11B-5).

6  
7 5. Any Sandy financing loan made by the Department of  
8 Environmental Protection pursuant to this act shall be subject to the  
9 following requirements:

10 a. The commissioner has certified that the project is in  
11 compliance with the provisions of Title X, Chapter 7 of the Federal  
12 Disaster Relief Appropriations Act;

13 b. The commissioner has certified that the project is in  
14 compliance with the provisions of P.L.1977, c.224, P.L.1985, c.329,  
15 P.L.1992, c.88, P.L.1997, c.223, P.L.1997, c.225 or P.L.2003,  
16 c.162, and any rules and regulations adopted pursuant thereto; and

17 c. The loan shall be subject to any other terms and conditions  
18 as may be established by the commissioner and approved by the  
19 State Treasurer, which may include, notwithstanding any other  
20 provision of law to the contrary, subordination of a loan authorized  
21 in this act to loans made by the trust pursuant to P.L. , c.  
22 (pending before the Legislature as Senate Bill No. 2498 of 2020 and  
23 Assembly Bill No. of 2020) prior to June 30, 2021, or to  
24 administrative fees payable to the trust pursuant to subsection o. of  
25 section 5 of P.L.1985, c.334 (C.58:11B-5).

26  
27 6. The eligibility lists and authorization for the making of loans  
28 pursuant to sections 2 and 3 of this act shall expire on July 1, 2021,  
29 and any project sponsor which has not executed and delivered a  
30 loan agreement with the department for a loan authorized in this act  
31 shall no longer be entitled to that loan.

32  
33 7. The Commissioner of Environmental Protection is  
34 authorized to reduce or increase the individual amount of loan funds  
35 made available to or on behalf of project sponsors pursuant to  
36 sections 2 and 3 of this act based upon final or low bid building  
37 costs defined in and determined in accordance with rules and  
38 regulations adopted by the commissioner pursuant to section 4 of  
39 P.L.1985, c.329, section 2 of P.L.1999, c.362 (C.58:12A-12.2), or  
40 section 5 of P.L.1981, c.261, provided that the total loan amount  
41 does not exceed the estimated total allowable loan amount. The  
42 commissioner is authorized to reduce or increase the individual  
43 amount of loan funds made available to or on behalf of project  
44 sponsors pursuant to sections 2 and 3 of this act in an amount not to  
45 exceed 10 percent of the total allowable loan amount based upon  
46 additional project costs to comply with the Department of

1 Environmental Protection's guidance for asset management,  
2 emergency response, flood protection, and auxiliary power.

3  
4 8. The expenditure of the funds appropriated by this act is  
5 subject to the provisions and conditions of P.L.1977, c.224,  
6 P.L.1085, c.302, P.L.1985, c.329, P.L.1989, c.181, P.L.1992, c.88,  
7 P.L.1997, c.223, P.L.1997, c.225 or P.L.2003, c.162, and the rules  
8 and regulations adopted by the Commissioner of Environmental  
9 Protection pursuant thereto, and the provisions of the Federal  
10 Disaster Relief Appropriations Act, the Federal Clean Water Act,  
11 and the Federal Safe Drinking Water Act, and any amendatory and  
12 supplementary acts thereto.

13  
14 9. The Department of Environmental Protection shall provide  
15 general technical assistance to any project sponsor requesting  
16 assistance regarding environmental infrastructure project  
17 development or applications for funds for a project.

18  
19 10. a. Prior to repayment to the Clean Water State Revolving  
20 Fund pursuant to sections 1 and 2 of P.L.2009, c.77 and any  
21 amendatory and supplementary acts thereto, prior to repayment to  
22 the "Wastewater Treatment Fund" pursuant to the provisions of  
23 section 16 of P.L.1985, c.329, prior to repayment to the "1992  
24 Wastewater Treatment Fund" pursuant to the provisions of section  
25 28 of P.L.1992, c.88, prior to repayment to the Drinking Water  
26 State Revolving Fund, prior to repayment to the "Stormwater  
27 Management and Combined Sewer Overflow Abatement Fund"  
28 pursuant to the provisions of section 15 of P.L.1989, c.181, prior to  
29 repayment to the "2003 Water Resources and Wastewater  
30 Treatment Fund" pursuant to the provisions of section 20 of  
31 P.L.2003, c.162, prior to repayment to the "Water Supply Fund"  
32 pursuant to the provisions of section 15 of P.L.1981, c.261, or prior  
33 to the repayment to the "Pinelands Infrastructure Trust Fund"  
34 pursuant to the provisions of section 5 of P.L.1985, c.302,  
35 repayments of loans made pursuant to these acts may be utilized by  
36 the New Jersey Infrastructure Bank established pursuant to  
37 P.L.1985, c.334 (C.58:11B-1 et seq.), as amended and  
38 supplemented by P.L.1997, c.224, under terms and conditions  
39 established by the commissioner and trust, approved by the State  
40 Treasurer, and consistent with the provisions of P.L.1985, c.334  
41 (C.58:11B-1 et seq.) and federal tax, environmental or securities  
42 law, to the extent necessary to secure repayment of trust bonds  
43 issued to finance loans approved pursuant to P.L. c. (pending  
44 before the Legislature as Senate Bill No. 2498 of 2020 and  
45 Assembly Bill No. of 2020), and to secure the administrative fees  
46 payable to the trust pursuant to subsection o. of section 5 of

1 P.L.1985, c.334 (C.58:11B-5) by the project sponsors receiving  
2 trust loans.

3 b. Prior to repayment to the Clean Water State Revolving Fund  
4 pursuant to section 1 and 2 of P.L.2009, c.77 and any amendatory  
5 and supplementary acts thereto, prior to repayment to the  
6 “Wastewater Treatment Fund” pursuant to the provisions of section  
7 16 of P.L.1985, c.329, prior to repayment to the “1992 Wastewater  
8 Treatment Fund” pursuant to the provisions of section 28 of  
9 P.L.1992, c.88, prior to repayment to the “Water Supply Fund”  
10 pursuant to the provisions of section 15 of P.L.1981, c.261, prior to  
11 repayment to the Drinking Water State Revolving Fund, prior to  
12 repayment to the “2003 Water Resources and Wastewater  
13 Treatment Fund” pursuant to the provisions of section 20 of  
14 P.L.2003, c.162, prior to repayment to the “Stormwater  
15 Management and Combined Sewer Overflow Abatement Fund”  
16 pursuant to the provisions of section 15 of P.L.1989, c.181, or prior  
17 to repayment to the “Pinelands Infrastructure Trust Fund” pursuant  
18 to the provisions of section 5 of P.L.1985, c.302, the trust is further  
19 authorized to utilize repayments of loans made pursuant to  
20 P.L.1989, c.189, P.L.1990, c.99, P.L.1991, c.325, P.L.1992, c.38,  
21 P.L.1993, c.193, P.L.1994, c.106, P.L.1995, c.219, P.L.1996, c.85,  
22 P.L.1997, c.221, P.L.1998, c.84, P.L.1999, c.174, P.L.2000, c.92,  
23 P.L.2001, c.222, P.L.2002, c.70, P.L.2003, c.158, P.L.2004, c.109,  
24 P.L.2005, c.196, P.L.2006, c.68, P.L.2007, c.139, P.L.2008, c.68,  
25 P.L.2009, c.102, P.L.2010, c.63, P.L.2011, c.93, P.L.2012, c.43,  
26 P.L.2013, c.95, P.L.2014, c.25, P.L.2015, c.108, P.L.2016, c.32,  
27 P.L.2017, c.143, as amended by P.L.2017, c.326, P.L.2018, c.85, as  
28 amended by P.L.2018, c.137, P.L.2019, c.12, P.L.2019, c.193, as  
29 amended by P.L.2019, c.514, or P.L. , c. (pending before the  
30 Legislature as this bill) to secure repayment of trust bonds issued to  
31 finance loans approved pursuant to P.L.1995, c.218, P.L.1996, c.87,  
32 P.L.1997, c.222, P.L.1998, c.85, P.L.1999, c.173, P.L.2000, c.93,  
33 P.L.2001, c.224, P.L.2002, c.71, P.L.2003, c.159, P.L.2004, c.110,  
34 P.L.2005, c.197, P.L.2006, c.67, P.L.2007, c.140, P.L.2008, c.67,  
35 P.L.2009, c.101, P.L.2010, c.62, P.L.2011, c.95, P.L.2012, c.38,  
36 P.L.2013, c.94, P.L.2014, c.26, P.L.2015, c.107, P.L.2016, c.31,  
37 P.L.2017, c.142, as amended by P.L.2017, c.327, P.L.2018, c.84, as  
38 amended by P.L.2019, c.30, P.L.2019, c.192, as amended by P.L.2019,  
39 c.515, or P.L. , c. (pending before the Legislature as Senate Bill  
40 No. 2498 of 2020 and Assembly Bill No. of 2020), and to secure the  
41 administrative fees payable to the trust under these loans pursuant  
42 to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5).

43 c. To the extent that any loan repayment sums are used to  
44 satisfy any trust bond repayment or administrative fee payment  
45 deficiencies, the trust shall repay such sums to the department for  
46 deposit into the Clean Water State Revolving Fund, the  
47 “Wastewater Treatment Fund,” the “1992 Wastewater Treatment  
48 Fund,” the “Water Supply Fund,” the Drinking Water State



1 Revolving Fund, the “2003 Water Resources and Wastewater  
2 Treatment Fund,” the “Stormwater Management and Combined  
3 Sewer Overflow Abatement Fund,” or the “Pinelands Infrastructure  
4 Trust Fund,” as appropriate, from amounts received by or on behalf  
5 of the trust from project sponsors causing any such deficiency.  
6

7 11. The Commissioner of Environmental Protection is  
8 authorized to enter into capitalization grant agreements as may be  
9 required pursuant to the Federal Disaster Relief Appropriations Act,  
10 the Federal Clean Water Act, or the Federal Safe Drinking Water  
11 Act.  
12

13 12. There is appropriated to the New Jersey Infrastructure Bank  
14 established pursuant to P.L.1985, c.334 (C.58:11B 1 et seq.) from  
15 repayments of loans and interest deposited in any account, on or  
16 before June 30, 2021 , including the “Clean Water State Revolving  
17 Fund,” the “1992 Wastewater Treatment Fund,” the “Water Supply  
18 Fund,” the “Stormwater Management and Combined Sewer  
19 Overflow Abatement Fund,” the “2003 Water Resources and  
20 Wastewater Treatment Fund,” or the Drinking Water State  
21 Revolving Fund, as appropriate, and from any net earnings received  
22 from the investment and reinvestment of such deposits, such sums  
23 as the chairperson or secretary of the trust shall certify to the  
24 Commissioner of Environmental Protection to be necessary and  
25 appropriate for deposit into one or more reserve funds or accounts  
26 established by the trust pursuant to section 11 of P.L.1985, c.334  
27 (C.58:11B-11).  
28

29 13. There is appropriated to the New Jersey Infrastructure Bank  
30 established pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.), funds  
31 from the Federal Disaster Relief Appropriations Act deposited in  
32 any account including the Clean Water State Revolving Fund, the  
33 "Water Supply Fund," or the Drinking Water State Revolving Fund,  
34 as appropriate, and from any net earnings received from the  
35 investment and reinvestment of such deposits, such sums as the  
36 chairperson of the trust certifies to the Commissioner of  
37 Environmental Protection to be necessary and appropriate for  
38 deposit into one or more reserve funds or accounts established by  
39 the trust pursuant to section 11 of P.L.1985, c.334 (C.58:11B-11).  
40

41 14. This act shall take effect immediately.  
42  
43

#### 44 STATEMENT

45

46 This bill appropriates certain federal and State moneys to the  
47 Department of Environmental Protection (DEP) for the purpose of

1 implementing the State Fiscal Year 2021 New Jersey  
2 Environmental Infrastructure Financing Program (NJEIFP), which  
3 is expected to finance approximately \$1.167 billion in Storm Sandy  
4 and other environmental infrastructure projects for State Fiscal Year  
5 2021.

6 Under the bill, approximately \$10 million will be available for  
7 principal forgiveness loans of up to \$2 million per borrower for  
8 water quality restoration projects. For these projects, 50 percent of  
9 the fund loan will be forgiven, 25 percent of the loan will be a zero-  
10 interest rate fund loan, and 25 percent of the loan will be a New  
11 Jersey Infrastructure Bank (“trust”) market rate loan. For project  
12 costs greater than \$4 million up to \$10 million, 75 percent of the  
13 loan will be a zero-interest rate fund loan and 25 percent of the loan  
14 will be a trust market rate loan. For project costs greater than \$10  
15 million, 50 percent of the loan would be a zero interest rate fund  
16 loan and 50 percent would be a trust market rate loan. In addition, a  
17 maximum of \$15 million in principal forgiveness loans up to \$4  
18 million per borrower will be allocated to communities sponsoring  
19 construction projects that reduce or eliminate discharges from  
20 combined sewer overflow (CSO) outfalls. For these CSO projects,  
21 50 percent of the fund loan will be forgiven, 25 percent of the loan  
22 will be a zero-interest rate fund loan, and 25 percent of the loan will  
23 be a trust market rate loan. For project costs greater than \$4 million  
24 up to \$10 million, 75 percent of the loan will be a zero-interest rate  
25 fund loan and 25 percent of the loan will be a trust market rate loan.  
26 For project costs greater than \$10 million, 50 percent of the loan is  
27 a zero interest rate fund loan and 50 percent of the loan is a trust  
28 market rate loan. Principal forgiveness will be available to the  
29 highest ranked CSO projects and will be awarded according to the  
30 DEP’s ranking methodology based on each project’s relative water  
31 quality benefit and project readiness.

32 To the extent funds are available, a maximum of \$500,000 in  
33 principal forgiveness loans will be available to finance the  
34 development of asset management plans for systems serving  
35 populations up to 10,000 residents, of which 100 percent will be  
36 subject to principal forgiveness in an amount not to exceed  
37 \$100,000 per project sponsor.

38 Approximately \$4 million in principal forgiveness loans will be  
39 available to drinking water systems for improvements to water  
40 supply systems serving populations of up to 10,000 people, in an  
41 amount not to exceed \$500,000, and may not exceed 50 percent of  
42 the total loan amount per project sponsor in an amount not to  
43 exceed \$1 million per project sponsor. Loans for systems serving  
44 500 or fewer residents would be given highest priority. To the  
45 extent funds are available, a maximum of \$10 million of principal  
46 forgiveness loans will be available for drinking water systems  
47 serving communities with a population of up to 1,000 residents for

1 corrosion control treatment and lead service line replacement. The  
2 amount of a principal forgiveness loan would not exceed 90 percent  
3 of the total fund loan amount of \$1 million per project sponsor for  
4 systems. Approximately \$103 million of principal forgiveness  
5 loans will be issued for drinking water systems serving  
6 communities with a weighted median household income less than  
7 the median household income for the State for lead service line  
8 replacement. The amount of principal forgiveness would not  
9 exceed 50 percent of the total fund loan amount of: \$2 million per  
10 water system for systems with less than 1,000 known lead service  
11 lines, \$10 million per system for systems with between 1,001 and  
12 5,000 known lead service lines, and \$40 million per system for  
13 systems with greater than 5,000 known lead service lines.

14 Disaster Relief Emergency Financing Program loans will  
15 continue to be available for short-term financing for projects to  
16 repair or improve the resiliency of environmental infrastructure  
17 systems adversely impacted by Storm Sandy. The source of funds  
18 for such loans is currently repayments of prior NJEIFP loans and  
19 trust operating funds, but private bank financing for such loans may  
20 be used as the need arises. Finally, short-term Interim Financing  
21 Program (IFP) loans will be available for projects approved to  
22 receive long-term financing. IFP loans will be available upon  
23 project certification by the DEP, and satisfaction of financial  
24 eligibility requirements. The loans will finance costs disbursed  
25 prior to long-term financing. The source of funds for such loans  
26 include prior capitalization grants, NJEIFP loan repayments, prior  
27 State bond acts, and interest earnings thereon.

28 The DEP would use the funds appropriated under this bill to  
29 make zero-interest loans to local governments and privately-owned  
30 water companies (project sponsors) for between zero percent and  
31 100 percent of project costs totaling: (1) \$777.35 million for new  
32 clean water projects included in the "Storm Sandy and State Fiscal  
33 Year 2021 Clean Water Project Eligibility List," and \$6.3 million  
34 for five clean water projects that had previously received a loan and  
35 require supplemental loans, subject to the availability of funds; and  
36 (2) \$357.14 million for new drinking water projects included in the  
37 "State Fiscal Year 2021 Drinking Water Project Eligibility List,"  
38 and \$27.2 million for drinking water projects that require  
39 supplemental loans. The supplemental loan constitutes the  
40 difference between the allowable loan amount required by the  
41 project and the loan amount certified by the Commissioner of  
42 Environmental Protection in the State Fiscal Year in which the  
43 project was originally certified and funded for any increased  
44 allowable costs.

45 The bill authorizes the DEP to issue loans up to 100 percent of  
46 the total allowable loan amount: (1) for clean water loans to  
47 municipalities that do not satisfy the trust credit policy, but are

1 subject to State financial supervision and oversight pursuant to the  
2 “Local Government Supervision Act (1947),” P.L.1947, c.151  
3 (C.52:27BB-1 et seq.); (2) for clean water and drinking water loans  
4 to county or regional sewerage or utility authorities that do not  
5 satisfy the trust's credit policy, but where the municipal participant  
6 via its service agreement with the authority is under State financial  
7 supervision and oversight pursuant to the “Local Government  
8 Supervision Act (1947),” P.L.1947, c.151 (C.52:27BB-1 et seq.)  
9 and the repayment obligation of the authority remains secured by  
10 the full faith and credit of the participating municipality pursuant to  
11 its service agreement with the municipality; and (3) for clean water  
12 project and drinking water project loans to municipalities receiving  
13 funding under the United States Department of Housing and Urban  
14 Development Community Development Block Grant – Disaster  
15 Recovery Program (CDBG-DR).

16 A companion bill, Assembly Bill No. of 2020, would authorize  
17 the trust to make market rate loans to project sponsors for between  
18 zero percent and 100 percent of project costs for the clean water and  
19 drinking water projects mentioned above. Under this bill, together  
20 with Assembly Bill No. , the NJEIFP would finance \$1.167 billion  
21 in environmental infrastructure projects for State Fiscal Year 2021,  
22 subject to the availability of funds. Funding sources for the loans  
23 include federal capitalization grants, State bond issue proceeds,  
24 State match, various prior legislative appropriations, loan  
25 repayments, interest earnings, and market rate loans made by the  
26 trust.

27 The bill also authorizes the DEP to make clean water project  
28 loans to four municipalities in the Pinelands area that are receiving  
29 funding under the “Pinelands Infrastructure Trust Fund” established  
30 pursuant to the “Pinelands Infrastructure Trust Bond Act of 1985,”  
31 P.L.1985, c.302. The DEP allowable loan amount for such projects  
32 may be up to 100 percent of the total loan amount specified in the  
33 bill.

34 Finally, the bill would appropriate to the trust, from repayments  
35 of loans, interest payments, certain federal funds, and any earnings  
36 received from the investment of those funds, such amounts as the  
37 chairperson or secretary of the trust certifies are necessary for  
38 deposit into one or more reserve funds established by the trust.